Questar seeks to recoup costs Salt Lake Tribune, The (UT) January 9, 2007

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Questar Gas wants all its customers to start paying \$1.7 million more a year - or \$2.28 per household - to help about two dozen rural Utah communities pay off their debt to the company for natural gas service.

But the Committee of Consumer Services said Tuesday that before it can weigh into what promises to be a heated debate, Questar is going to have to give it some hard numbers. The rates those communities are now paying don't appear to be just and reasonable, said CCS chairman Dee Jay Hammon. "But we don't know. Questar hasn't provided us with all the data we need to make any kind of determination."

For the past 12 years or so, many residents of Beaver, Millard and parts of Iron, Washington and Emery counties have paid an extra \$16 to \$30 a month on their gas bills. The charge - originally expected to appear on customer bills for about 20 years - was designed to reimburse Questar Gas for extending its pipelines and service into those areas.

Now Beaver County officials say the extra charge is just too much and that it is costing them jobs and economic growth. They want the Public Service Commission to make all of Questar's customers pick up the rest of the tab.

Questar is supporting Beaver's request. So is the Utah Division of Public Utilities. The CCS is charged with representing the interests of all Utah residential utility customers, and committee director Michele Beck said any decision on how the remaining costs of extending service to the rural communities is to be paid depends on an accurate accounting of the revenues paid to Questar. Moreover, she said, the committee believes a detailed and thorough review "can only appropriately occur in a general rate case." Questar spokesman Chad Jones said the utility has provided information for some of the communities that were paying "EAS," or extended area service, rates. But other communities were paying under a different rate structure known as "GSS" and Questar has never been asked to provide that data.

"We'll go back and get that information if someone makes a formal request," he said. Utah consumer advocates Claire Geddes and Roger Ball both spoke out against the proposal.

"There is no benefit to most of Questar's customers, so it shouldn't be allowed," Geddes said.

Ball said the communities willingly entered into a contract stipulating they would pay the extra monthly charges in exchange for Questar service. "They were delighted at the time. Now they are not, and I'd say to them: 'Sorry, tough luck, but it's a contract.' "

The Public Service Commission has scheduled a hearing on the matter for Feb. 8. The public is invited to offer comments to the commission beginning at 4:30 p.m. in person at the Heber Wells Building, 160 E. 300 South in Salt Lake City, or by telephone by calling the PSC's offices, 530-6716. Comments also can be submitted by e-mail to mlivingston@utah.gov.

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